

**Ameren Illinois Gas Rate Zone I - (CIPS)**  
**Statement of Operating Income with Adjustments**  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Company Rebuttal (Ameren Ex. 17.1)	Company Adjustments (Sch 1, page 3)	Company Initial Brief Present (Cols. b+c)	Company Initial Brief Proposed Increase	Company Initial Brief Proposed w/o Hillsboro (Cols. d+e)	Hillsboro Base & Used & Useful Allowance	Company Initial Brief Proposed w/Hillsboro (Cols. f+g)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Gas Operating Revenues	\$ 74,303	\$ -	\$ 74,303	\$ 10,782	\$ 85,085	\$ 19	\$ 85,104
2	Other Revenues	942	83	1,025	-	1,025	-	1,025
3	Total Operating Revenue	75,245	83	75,328	10,782	86,110	19	86,129
4	Uncollectible Expense	707	1	708	101	809	-	809
5	Cost of Gas	-	-	-	-	-	-	-
6	Production Expenses	228	-	228	-	228	-	228
7	Storage, Term., and Proc. Expenses	2,485	-	2,485	-	2,485	-	2,485
8	Transmission Expenses	1,243	11	1,254	-	1,254	-	1,254
9	Distribution Expenses	19,632	203	19,835	-	19,835	-	19,835
10	Cust. Accounts, Service & Sales	6,576	(16)	6,560	-	6,560	-	6,560
11	Administrative and General Expenses	13,097	(958)	12,138	-	12,138	-	12,138
12	Depreciation and Amortization	8,836	71	8,907	-	8,907	-	8,907
13	Taxes Other Than Income	3,404	(1)	3,403	-	3,403	-	3,403
14	Rounding	-	-	-	-	-	-	-
15	Total Operating Expense							
16	Before Income Taxes	56,208	(689)	55,518	101	55,619	-	55,619
17	State Income Tax	1,089	60	1,149	1,015	2,164	2	2,166
18	Federal Income Tax	3,631	203	3,833	3,383	7,216	6	7,222
19	Deferred Taxes and ITCs Net	(121)	-	(121)	-	(121)	-	(121)
20	Total Operating Expenses	60,806	(426)	60,380	4,499	64,878	8	64,886
21	NET OPERATING INCOME	\$ 14,439	\$ 509	\$ 14,948	\$ 6,283	\$ 21,231	\$ 11	\$ 21,242
22	Company Rate Base (Schedule 2, page 1, col d, line 21)					\$ 247,861		
23	Company Overall Rate of Return (Schedule 5, col e, line 18)					8.566%		
24	Non-Used and Useful Investment (Schedule 3, Line 2)						\$	347
25	Rate of Return Excluding Common Equity Return (Sch 5, Ln 18 minus Ln 17)							3.177%

**Ameren Illinois Gas Rate Zone I - (CIPS)**  
**Adjustments to Operating Income**  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Interest Synchronization Part 285 (Ex. 31.1, Sch 3)	Rental Revenues Adj ICC Staff Ex. 13.0 Sch 13.01	Uncollectible Expense ICC Staff Ex. 11.0 Sch 11.02	Employee Benefits ICC Staff Ex. 11.0 Sch 11.05	SVT Program (Ameren Ex. 31.4 Schedule 1)	EAM & MWM (Ameren Ex. 31.5)	Subtotal Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Gas Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Other Revenues	-	83	-	-	-	-	83
3	Total Operating Revenue	-	83	-	-	-	-	83
4	Uncollectible Expense	-	-	1	-	-	-	1
5	Cost of Gas	-	-	-	-	-	-	-
6	Production Expenses	-	-	-	-	-	-	-
7	Storage, Term., and Proc. Expenses	-	-	-	-	-	-	-
8	Transmission Expenses	-	-	-	-	-	11	11
9	Distribution Expenses	-	-	-	-	94	109	203
10	Cust. Accounts, Service & Sales	-	-	-	-	-	-	-
11	Administrative and General Expenses	-	-	-	(926)	-	-	(926)
12	Depreciation and Amortization	-	-	-	-	71	-	71
13	Taxes Other Than Income	-	-	-	-	-	-	-
14		-	-	-	-	-	-	-
15	Total Operating Expense	-	-	1	(926)	165	120	(640)
16	Before Income Taxes	-	-	1	(926)	165	120	(640)
17	State Income Tax	(13)	8	(0)	88	(16)	(11)	56
18	Federal Income Tax	(42)	26	(0)	293	(52)	(38)	187
19		-	-	-	-	-	-	-
20	Total Operating Expenses	(55)	34	1	(545)	97	71	(397)
21	NET OPERATING INCOME	\$ 55	\$ 49	\$ (1)	\$ 545	\$ (97)	\$ (71)	\$ 480

**Ameren Illinois Gas Rate Zone I - (CIPS)**  
**Adjustments to Operating Income**  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Subtotal Operating Statement Adjustments	Non-Union Wages (Ameren Ex. 31.8 Schedule 1)	Industry Assn Dues (Ameren Ex. 31.9 Schedule 1)	Advertising Sponsorships Adj (Ameren Ex. 31.9 Schedule 2)	Initial Brief Appendix D	(Source)	Total Operating Statement Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Gas Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Other Revenues	83	-	-	-	-	-	83
3	Total Operating Revenue	83	-	-	-	-	-	83
4	Uncollectible Expense	1	-	-	-	-	-	1
5	Cost of Gas	-	-	-	-	-	-	-
6	Production Expenses	-	-	-	-	-	-	-
7	Storage, Term., and Proc. Expenses	-	-	-	-	-	-	-
8	Transmission Expenses	11	-	-	-	-	-	11
9	Distribution Expenses	203	-	-	-	-	-	203
10	Cust. Accounts, Service & Sales	-	-	-	-	(16)	-	(16)
11	Administrative and General Expenses	(926)	(6)	(0)	(0)	(26)	-	(958)
12	Depreciaton and Amortization	71	(0)	-	-	-	-	71
13	Taxes Other Than Income	-	(1)	-	-	-	-	(1)
14		-	-	-	-	-	-	-
15	Total Operating Expense							
16	Before Income Taxes	(640)	(7)	(0)	(0)	(42)	-	(689)
17	State Income Tax	56	1	0	0	4	-	60
18	Federal Income Tax	187	2	0	0	13	-	203
19		-	-	-	-	-	-	-
20	Total Operating Expenses	(397)	(4)	(0)	(0)	(25)	-	(426)
21	NET OPERATING INCOME	\$ 480	\$ 4	\$ 0	\$ 0	\$ 25	\$ -	\$ 509

**Ameren Illinois Gas Rate Zone I - (CIPS)**  
**Rate Base**  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Company Rebuttal Rate Base (Ameren Ex. 17.1)	Company Adjustments (Sch 2, page 2)	Company Initial Brief Rate Base (Col. b+c)
	(a)	(b)	(c)	(d)
1	Gross Plant in Service	\$ 488,690	\$ 620	\$ 489,309
2	Less Accum. Deprec. and Amort.	(217,855)	(71)	(217,927)
3		-	-	-
4	Net Plant	270,835	548	271,383
5	Additions to Rate Base			
6	Cash Working Capital Allowance	4,930	(100)	4,830
7	Materials & Supplies Inventory	16,620	-	16,620
8		-	-	-
9		-	-	-
10		-	-	-
11		-	-	-
12		-	-	-
13		-	-	-
14	Deductions From Rate Base			
15	Accum. Deferred Income Taxes	(40,494)	(62)	(40,556)
16	Customer Advances for Construction	(2,196)	-	(2,196)
17	Customer Deposits	(2,140)	-	(2,140)
18	Budget Payment Plans	(79)	-	(79)
19		-	-	-
20		-	-	-
21	Rate Base	\$ 247,475	\$ 386	\$ 247,861

**Ameren Illinois Gas Rate Zone I - (CIPS)**  
**Adjustments to Rate Base**  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Cash Working Capital Part 285 (Ex. 31.1, Sch 2)	Employee Benefit ICC Staff Ex. 11.0 Sch 11.05	SVT Program (Ameren Ex. 31.4 Schedule 1)	Non-Union Wages (Ameren Ex. 31.8 Schedule 1)	(Source)	(Source)	Total Rate Base Adjustments
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Gross Plant in Service	\$ -	\$ (92)	\$ 713	\$ (2)	\$ -	\$ -	\$ 620
2	Less Accum. Deprec. and Amort.	-	-	(71)	0	-	-	(71)
3		-	-	-	-	-	-	-
4	Additions to Rate Base	-	(92)	642	(2)	-	-	548
5	Additions to Rate Base							
6	Cash Working Capital Allowance	(100)	-	-	-	-	-	(100)
7	Materials & Supplies Inventory	-	-	-	-	-	-	-
8		-	-	-	-	-	-	-
9		-	-	-	-	-	-	-
10		-	-	-	-	-	-	-
11		-	-	-	-	-	-	-
12		-	-	-	-	-	-	-
13		-	-	-	-	-	-	-
14	Deductions From Rate Base							
15	Accum. Deferred Income Taxes	-	-	(62)	0	-	-	(62)
16	Customer Advances for Construction	-	-	-	-	-	-	-
17	Customer Deposits	-	-	-	-	-	-	-
18	Budget Payment Plans	-	-	-	-	-	-	-
19		-	-	-	-	-	-	-
20		-	-	-	-	-	-	-
21	Rate Base	<u>\$ (100)</u>	<u>\$ (92)</u>	<u>\$ 580</u>	<u>\$ (2)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 386</u>

**Ameren Illinois Gas Rate Zone I - (CIPS)**  
**Cash Working Capital Requirement Employing the Gross Lag Methodology**  
For the Test Year Ending December 31, 2014  
(\$000s)

Line No.	Description (A)	Company Direct Proposed (B)	Revenue Lag/Expense (Leads) (C)	CWC Factor (D) (Col C/365)	Cash Working Capital Requirement (E) Col. D x Col. B
<b>REVENUES</b>					
1	Revenues at Present Rates	\$ 86,129	49.74	13.63%	\$ 11,737
2	Plus PGA Revenues	99,099	49.74	13.63%	13,505
3	Plus ICC Gross Revenue Tax	173	-	0.00%	-
4	Plus Municipal Utility Tax	2,857	-	0.00%	-
5	Plus Energy Assistance Charges	2,098	-	0.00%	-
6	Plus Illinois Public Utility Tax	4,668	-	0.00%	-
7	Plus Interest Expense and Bank Facility Fees	7,706	49.74	13.63%	1,050
8	(Less) Uncollectibles	(809)	49.74	13.63%	(110)
9	(Less) Depreciation and Amortization	(8,907)	49.74	13.63%	(1,214)
10	(Less) Return on Equity and Debt	(21,082)	49.74	13.63%	(2,873)
11	<b>TOTAL - REVENUES</b>	<b>\$ 171,931</b>			<b>\$ 22,095</b>
<b>EXPENSES</b>					
12	Employee Benefits	\$ 4,523	(15.97)	-4.38%	(198)
13	Payroll	21,470	(11.39)	-3.12%	(670)
14	PGA Expense	99,099	(39.23)	-10.75%	(10,651)
15	Other Operations and Maintenance (less uncollectibles)	16,507	(48.87)	-13.39%	(2,210)
16	FICA	1,187	(13.13)	-3.60%	(43)
17	Federal Unemployment Tax	22	(76.38)	-20.92%	(5)
18	State Unemployment Tax	76	(76.38)	-20.92%	(16)
19	St. Louis Payroll Expense Tax	1	(83.51)	-22.88%	(0)
20	ICC Gross Revenue Tax	173	65.50	17.95%	31
21	Invested Capital Tax	1,669	(30.13)	-8.25%	(138)
22	Municipal Utility Tax	2,857	(15.00)	-4.11%	(117)
23	Energy Assistance Charges	2,098	(4.00)	-1.10%	(23)
24	Corporation Franchise Tax	102	(161.97)	-44.37%	(45)
25	Illinois Public Utility Tax	4,668	1.00	0.27%	13
26	Property/Real Estate Taxes	385	(375.08)	-102.76%	(395)
27	Interest Expense	7,553	(91.25)	-25.00%	(1,888)
28	Bank Facility Fees	153	156.59	42.90%	66
29	Federal Income Tax	7,222	(37.88)	-10.38%	(749)
30	State Income Tax	2,166	(37.88)	-10.38%	(225)
31	<b>TOTAL EXPENSES</b>	<b>\$ 171,931</b>			<b>\$ (17,265)</b>
32	<b>CASH WORKING CAPITAL REQUIREMENT - INITIAL BRIEF APPENDIX A</b>				<b>\$ 4,830</b>
33	<b>CASH WORKING CAPITAL REQUIREMENT - REBUTTAL</b>				<b>\$ 4,930</b>
34	<b>DIFFERENCE - ADJUSTMENT TO CASH WORKING CAPITAL</b>				<b>\$ (100)</b>

**Ameren Illinois Gas Rate Zone I - (CIPS)**  
**Interest Synchronization Adjustment**  
For the Test Year Ending December 31, 2014  
(In Thousands)

Line No.	Description	Amount
	(a)	(b)
1	Rate Base	\$ 247,861 <sup>(1)</sup>
2	Hillsboro Storage Field Used & Useful Allowance	<u>347</u> <sup>(2)</sup>
3	Rate Base	\$ 248,208
4	Weighted Cost of Debt	3.10% <sup>(3)</sup>
5	Synchronized Interest Per Company Initial Brief (Line 3 x Line 4)	\$ 7,706
6	Company Rebuttal Interest Expense	7,573
7	Increase (Decrease) in Interest Expense (Line 5 - Line 8)	<u>133</u>
8	Increase (Decrease) in State Income Tax Expense	
9	at 9.500%	<u>(13)</u>
10	Increase (Decrease) in Federal Income Tax Expense	
11	at 35.000%	<u>\$ (42)</u>

(1) Source: Company Initial Brief Appendix A, Schedule 2, Page 1, col D, ln 21.

(2) Source: Ameren Part 285 Gas Schedule B-2.1 RZ-I, col B, ln 1.

(3) Source: Company Initial Brief Appendix A, Schedule 5, col E, ln 12, 13 & 14.

**Ameren Illinois Gas Rate Zone I - (CIPS)**  
**Gross Revenue Conversion Factor**  
For the Test Year Ending December 31, 2014

Line No.	Description	Rate (Part 285 A-2.1)	Per Company With Bad Debts	Per Company Without Bad Debts
	(a)	(b)	(c)	(d)
1	Revenues		1.00000	
2	Uncollectibles (1)	0.9398%	<u>0.00940</u>	
3	State Taxable Income		0.99060	1.00000
4	State Income Tax	9.50%	<u>0.09411</u>	<u>0.09500</u>
5	Federal Taxable Income		0.89649	0.90500
6	Federal Income Tax	35.00%	<u>0.31377</u>	<u>0.31675</u>
7	Operating Income		<u>0.58272</u>	<u>0.58825</u>
8	Gross Revenue Conversion Factor Per Company		<u>1.71609</u>	<u>1.69996</u>

Sources:

(1) Ameren Exhibit 17.1, Schedule 4.



